

## **Conflicts of Interest Policy for Trustees**

### **1. Purpose and Scope**

- 1.1. Each trustee has an obligation to act in the best interests of the Ambitious about Autism Schools Trust in relation to their duties and activities.
- 1.2. Trustees have a personal responsibility as trustees and company directors to declare conflicts of interest, loyalty and duty if they are to fulfil their legal duty to act only in the best interests of the trust. Trustees may only receive a material benefit from the trust if there is explicit authorisation in the Trust's Governing Document.
- 1.3. The existence of an actual, perceived or potential conflict of interest, loyalty or duty does not imply wrongdoing on anyone's part. However, any private, personal or commercial interests, duties or obligations which give rise to such a conflict of interest must be recognised, disclosed appropriately and either eliminated or properly managed.
- 1.4. The Trust recognises that its trustees have diverse interests and contacts within the local, national and international community. It considers those links can often be in the public interest and potentially beneficial to the Trust. However, it also recognises that it is possible that such connections may give rise to conflicts of interest, duty or loyalty. Conflicts of interest and conflicts of duty or conflicts of loyalty and potential conflicts, are the subject of legal requirements in charity, education and company law, all of which are binding on trustees.
- 1.5. Under Education and Charity Law and the Trust's governing documents:
  - Trustees must declare any conflict;
  - Trustees may not act when there are conflicts save as authorised;
  - Trustees cannot receive any benefit (broadly defined) directly or indirectly unless explicitly authorised.
- 1.6. Under Company Law, directors are required to declare any interest in transactions or proposed transactions and are generally not permitted to purchase property or take loans from the company. In addition to such conflicts of interest, company law also regulates "conflict of interest situations". These are generally referred to as conflicts of duty or conflicts of loyalty and these must be managed by appropriate decisions being taken by the relevant Chair of Committee as to how they are dealt with.
- 1.7. Under Education Law, trustees must adhere to the requirements set out in their Funding Agreement and the DfE's Academies Financial Handbook.
- 1.8. The trust expects individuals to recognise conflicts of interest and to ensure that their decision making ability in their role is not or could not be perceived to be affected by any other interest.
- 1.9. The purpose of this policy is to:
  - assist trustees in identifying any conflicts of interest, conflicts or duty or potential conflicts of loyalty;
  - enable the disclosure of conflicts or potential conflicts;
  - provide guidance to those responsible for dealing with conflicts;
  - assist in the management of conflicts in order to protect the Trust and its Trustees.
- 1.10. The Head of Governance and Compliance and the trust's solicitors can provide support and guidance in relation this policy.

Policy Owner	Director of Finance & Planning	Review Date:	December 2020
Policy No.	011b	Version No.	T1 1.0

1.11. The information provided will be processed in accordance with data protection principles as set out in the Data Protection Act 1998. Data will be processed only to ensure that trustees, governors and senior staff act in the best interests of the trust. The information provided will not be used for any other purpose.

## 2. What is a Conflict of Interest or Conflict of Duty or Loyalty?

- 2.1. For the purpose of this policy, the term 'conflict' includes conflicts of interest and conflicts of duty or loyalty and/or perceived and potential as well as actual conflicts. A perceived conflict is one which a reasonable person could consider likely to compromise the relevant individual's ability to make a decision only in the best interests of the trust. A potential conflict is a situation which could develop into an actual or perceived conflict although no conflict currently exists. For example your partner works for a firm that provides services which the Trust does not currently use but could use in future.
- 2.2. **Conflicts of interest** are any situations in which a trustee has a personal interest in any transaction with the trust or its connected entity which could, or could appear to, prevent that trustee from making a decision only in the best interests of the Trust.
- 2.3. Conflicts of interest generally involve financial interests i.e. anything of monetary value including, but not limited to, pay, commission, consultancy fees, shareholdings, equity interests, debt, property, royalties and intellectual property rights.
- 2.4. Examples of financial interests include employment of a trustee or a person connected with a trustee, by the trust as an employee, consultant or advisor, a situation where a company of which a trustee is a director or shareholder may be considered for a contract by the trust, the sale of assets to or the use of the trust's property or rights by a trustee, or the trust's action resulting in a trustee receiving a benefit from a third party.
- 2.5. Conflicts of interest in such cases are particularly serious and any financial benefit requires authorisation from the DfE and Charity Commission. Such matters will generally be considered relevant conflicts of interest even if a trustee resigns prior to seeking such a contract or employment or entering into a transaction with the trust. Legal advice will generally be taken in these circumstances.
- 2.6. Conflicts of interest may also arise from a non-financial benefit or advantage, including, but not limited to, enhancement of an individual's career, education or professional reputation, access to information or facilities that could be used by others, advancing a cause or reputation or improving access to any beneficial connection or other advantage. For example, making use of information learned at a meeting of trustees to assist a client who employs the child of a trustee as an adviser.
- 2.7. **Conflicts of duty or conflicts of loyalty** are any interests, duty, role or loyalty, relationship or conviction which could directly or indirectly affect that person's ability to make decisions solely in the best interests of the trust. These include:
- Where a relationship of the trustee, for example, to a relative or close friend may be felt to influence the decisions of the Trustee;
  - Other roles, for example, as a trustee of another trust;
  - Other significant relationships;
  - Employment by another organisation, for example, one with which the Trust contracts, or collaborates or competes;
  - Providing advice or support to another body;
  - Active membership of a body;
  - Strongly-held beliefs.

Policy Owner	Director of Finance & Planning	Review Date:	December 2020
Policy No.	011b	Version No.	T1 1.0

- 2.8. **Group Conflict of Loyalty and Interest Management** Ambitious about Autism and Ambitious about Autism Schools Trust are two closely associated, but independent, charitable companies, with complementary charitable purposes.
- 2.9. They will generally operate in collaboration towards the best realisation of their common charitable purposes, including through a Joint Group Board Committee, exercising delegated authority on behalf of the Boards of Trustees of both the trust and the charity.
- 2.10. However, within the close collaboration there is a potential risk that the interests of the two entities could be conflated.
- 2.11. Accordingly, it is important for every trustee, committee member, executive and company member, who also holds a position in the other, to understand and act upon the fundamental principle that when they act in a position for one entity, they must ensure they are not unduly influenced by any potentially conflicting interest of the other. This applies most especially to members of the Joint Board Committee and any other joint committee and any executive engaged by both entities.
- 2.12. Given the reality of the overwhelming common interest and the subsidising support provided by Ambitious about Autism to Ambitious About autism Schools Trust, that fundamental principle may generally, appropriately be observed by the individuals concerned exercising due diligence to avoid any conflict of loyalty, or to apply appropriate conflict of interest management procedure in respect of any such conflict of loyalty that may arise.
- 2.13. However, additional safeguards are built into the constitutional arrangements of the charitable group. These include the following:
- The DfE guidance on company membership is followed in relation to Ambitious about Autism Schools Trust, so that there are at least three company members and as far as practicable there is a reasonable level of independence at this constitutional level;
  - The two Boards each have a majority of trustees, who are not on the other Board;
  - The Joint Board Committee has a membership made up of an equal number of trustees from both Boards.
- 2.14. **Connected Person** A conflict can arise because of the trustee's relationship with or connection to a third party or organisation (a connected person). These must be dealt with in the same way as personal conflicts. Examples of connected persons are close members of the trustee's family, a business partner or colleague, anyone whose finances are interdependent with the trustee (e.g. joint bank accounts, joint mortgages or property held in joint names, one party financially dependent on the other, joint beneficiaries of a trust), employer/employee or contractual relationship or anyone receiving a benefit where it could otherwise be perceived that such benefits could lead to a conflict of interest, i.e. by influencing the trustee's decisions other than in the best interests of the trust.
- 2.15. **The definition of connection person is as follows:**
- (a) a director's spouse, civil partner or cohabitant. A cohabitant includes persons who are not spouses or civil partners but who are living together as if they were;
  - (b) a director's children, stepchildren, parents, brothers, sisters, grandchildren and grandparents, and those of the director's spouse, partner or cohabitant;
  - (a) a spouse, civil partner or cohabitant of any person referred to in (b) above;
  - (b) a company in which the director (and persons connected with them) is interested in 20% or more of the equity share capital of the company, or can exercise more than 20% of the voting power at a general meeting of the company;
  - (c) a person acting in his capacity as trustee of a trust—
    - (i) the beneficiaries of which include the director or a person who by virtue of paragraph (a) or (b) is connected with them, or

Policy Owner	Director of Finance & Planning	Review Date:	December 2020
Policy No.	011b	Version No.	T1 1.0

- (ii) the terms of which confer a power on the trustees that may be exercised for the benefit of the director or any such person,
- (d) a person acting in their capacity as partner—
  - (i) of the director, or
  - (ii) of a person who, by virtue of paragraph (a), (b) or (c), is connected with that director;
- (e) a firm that is a legal person under the law by which it is governed and in which—
  - (i) the director is a partner,
  - (ii) a partner is a person who, by virtue of paragraph (a), (b) or (c) is connected with the director, or
  - (iii) a partner is a firm in which the director is a partner or in which there is a partner who, by virtue of paragraph (a), (b) or (c), is connected with the director.

### 3. Disclosure of a Conflict of Interest

#### 3.1. When must a person disclose?

There are five occasions when conflicts should be declared using the relevant form (attached):

- pre-selection: any prospective trustee should be requested to complete a Declaration of Interests form prior to confirmation of appointment in order that any relevant issues may be taken into account in confirming their appointment;
- on arrival: every new trustee should complete a declaration form (or amend an earlier declaration) at the time of appointment;
- annually: the conflicts of interest should be reviewed and confirmed each year when anything significant changes;
- as a new conflict arises: new matters should not await an annual declaration before being notified;
- verbally at any meeting where a conflict may arise: Conflicts of interest should be a standard agenda item at the beginning of each trustee meeting. Such declaration will be minuted.

This information would be held by the trust on a register of interests. It will be disclosed to the Joint Group Board Committee and made available at each Joint Group Board Committee meeting so that the relevant matters could be managed properly.

#### 3.2. What must be disclosed?

The law requires that the nature and scope of any conflict must be disclosed. The disclosure must include sufficient information to enable appropriate decisions to be taken as to its seriousness and its management. This is likely to include: the type of potential conflict, the nature of the activity, a description of all parties involved and their relationship, the potential financial or non-financial interests or benefits, or duties or obligations and any other relevant information.

### 4. Responsibility to declare

4.1. This policy includes illustrative examples to assist trustees in determining which interests need to be declared. Ultimately, it is not possible to define all the circumstances which may lead to a potential conflict of interest. It is therefore the responsibility of each individual to declare any matters which they feel may present actual or potential conflicts, or the perception of such conflicts. Trustees may seek the advice of the Chair of Trustees, who may seek legal advice as appropriate. If in doubt about any matter, it is always better to make a declaration given the grave reputational risks to the trust and trustee of being perceived not to have properly managed.

4.2. If anyone becomes aware of a possible conflict of interest, which the relevant person appears not to have considered, they should bring it to the relevant Chair of Committee's attention via the Chair of Trustees.

Policy Owner	Director of Finance & Planning	Review Date:	December 2020
Policy No.	011b	Version No.	T1 1.0

- 4.3. Some personal information about third parties can only be held with their agreement. Generally, the limited information needed to declare a conflict will not require such consent. If consent was needed it would be the responsibility of the trustee providing the information to ensure that this consent is given. Should a third party decline to consent, then it is the responsibility of the trustee to nevertheless ensure that a potential conflict is declared. Any declaration where data is held in relation to a third party will be dealt with in a manner consistent with Data Protection legislation.

## 5. Managing Conflicts of Trustees

- 5.1. Once a conflict has been disclosed it must either be removed or managed. Until the conflict has been resolved in either of these ways, the relevant person should take no part in the matter(s) relating to that interest.
- 5.2. The way in which a trustee's conflict of interest is managed must be decided by the relevant Chair of Committee. The relevant Chair of Committee may:
- Decide that the interest is not significant and does not create a real danger of bias or conflict (Category A);
  - The interest creates a significant but not substantial danger of bias or conflict of duty or might reasonably cause others to think it could influence a decision (Category B);
  - The interest creates a substantial danger of bias or conflict of duty (Category C); or
  - The interest creates a severe or substantial and recurring conflict of duty (Category D).
- 5.3. Once a decision is reached on the severity of the conflict the relevant Chair of Committee must resolve how it is to be managed. Generally, the following will be appropriate:
- Category A, the trustee must declare the interest but not vote or be counted in the quorum;
  - Category B, it shall be at the discretion of the Chair of Trustees (who do not themselves have an interest in the matter) whether the trustee may contribute information to the meeting, but the trustee must not participate in the discussion, or vote on the matter and will not be counted in the quorum for that issue;
  - Category C, the trustee must leave the meeting, not participate in the discussion or vote on the matter. Steps will need to be taken to ensure sensitive information is not available to the trustee;
  - Category D, Other steps will need to be taken to manage the conflict. An example of such a step could include:
    - The trustee agreeing to obtain consent from the other party creating the conflict, for example his client or employer, that the trustee be relieved of his or her obligation to disclose relevant information to that other party where the information was obtained from or relates to the trust;
    - Withholding all other papers that relate to the conflict from that trustee;
    - The trust ceases to undertake the activity giving rise to the conflict;
    - The trustee resigns.
- 5.4. In each case the relevant Chair of Committee may consider that other steps are necessary. These may include agreeing to relieve that trustee of his or her obligation to disclose to the trust information obtained elsewhere, for example, from the trustee's employer. The trust might also decide not to continue with the issue or project creating the conflict.
- 5.5. If the relevant Chair of Committee is itself conflicted, then the conflict to be managed should be referred to the relevant Board of Trustees.

Policy Owner	Director of Finance & Planning	Review Date:	December 2020
Policy No.	011b	Version No.	T1 1.0

- 5.6. Once the relevant Chair of Committee (or if it is itself conflicted the Board of Trustees) has resolved how to manage a conflict that response may be again used on each recurrence of a situation of conflict where the factual background has not changed.
- 5.7. Trustees must comply with any provisions in the trust's articles or any policy or other requirement of the AaAST Board relating to conflicts of interest.

## 6. Managing Information

- 6.1. The relevant Chair of Committee should endeavour to ensure that a trustee with a conflict of interest is not provided with information in that capacity which enables him or her to obtain any advantage. In particular, the person who is responsible for sending information to the trustees prior to a trustee meeting should check the register of interests and take any other reasonable steps to ensure that no information is sent to a trustee who may have a significant conflict of interest relating to that information.

## 7. Recording Steps Taken

In all cases, in order to protect the interests of the trustee and the trust, the trust will keep a record of the disclosure and steps taken to manage the conflict. This should generally be recorded in the minutes.

## 8. Review

Review of the effectiveness of the policy and compliance with it will be the responsibility of the Chair of Trustees and reported to the Joint Group Board Committee for consideration on its self-review process.

## 9. Transparency.

This policy will be available to all staff and trustees and to third parties where appropriate.

## 10. Verification

The Trust may undertake appropriate steps to verify information provided.

### Related Policies & Procedures

- Whistleblowing Policy and Procedure
- Bribery Policy and Procedure

Policy Owner	Director of Finance & Planning	Review Date:	December 2020
Policy No.	011b	Version No.	T1 1.0

**Declarations of Interest Form for Trustees**

- 1) List companies, businesses, charities or other organisations of which you or a person connected to you are involved, for example as a member, director, consultant or adviser or have another role which is relevant for the purpose of determining whether a conflict may exist.

Please provide details of the nature of the connection and state whether each position is remunerated (salary, fees, pensions, honoraria, dividend share option etc)

You:

A connected person:

- 2) List of companies, charities or organisations in which you or a connected person have directly or indirectly shareholdings or beneficial ownership or other financial interest or expectation of such an interest. Shareholdings of less than 1% of the issued share capital need not be declared. State the nature and extent of the interest.

You:

A connected person:

- 3) Membership of or roles or activity in professional bodies or associations, campaigning or special interest groups. State the extent and nature of the involvement.

You:

A connected person:

Policy Owner	Director of Finance & Planning	Review Date:	December 2020
Policy No.	011b	Version No.	T1 1.0

- 4) Any other potential conflict of which the Trust or which the Trust should be aware e.g. collaborators in academia or industry, involvement with other education-related organisations, political or other pressure groups.

You:

A connected person:

- 5) Are you or a connected person in receipt of or likely to become in receipt of any benefits, grants, loan or service from the Trust or any direct or indirect pecuniary benefit from the Trust other than expenses as a trustee? If so, provide details.

You:

A connected person:

- 6) In respect of any interest or potential interest declared are you aware of any circumstances where that interest may result in any transaction, competition or collaboration with the Trust or where the interest of the Trust may in any way interact with that interest? If so please provide details

You:

A connected person.

Policy Owner	(Job Title)	Review Date:	(Date of next review)
Policy No.	011b	Version No.	1.0

7) Any other situations or relationships that might create conflicts that have not been covered above. For example, ownership of land adjoining the Trust's property or intellectual or other property rights in the Trust's area of operation.

You:

A connected person:

Any further action required by you to identify other potential conflicts? If yes, please summarise concerns and actions below:

**DECLARATION**

I have entered the required responses to the best of my knowledge and belief.

Name:

Signature:

Date:

Policy Owner	(Job Title)	Review Date:	(Date of next review)
Policy No.	011b	Version No.	1.0